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Lawmakers Weigh Tightening Fuel-Economy Rules By LAURA MECKLER May 3, 2006; Page A4

WASHINGTON -- As gasoline prices surge, the question for lawmakers regarding fuel-economy standards isn't only whether they should be raised, but also by how much.

Congressional Democrats and some Republicans have long called for a significant increase in mileage standards. Many have introduced bills to raise the targets and pressed the Bush administration to use its regulatory authority to do the same. None of those bills have made it through the Republican Congress, and the Bush administration has declined to raise the standard on its own.



Bill Lockver

Now, President Bush has asked Congress for authority to overhaul the fuel-economy standards for passenger cars, and Congress is preparing to give it to him. The Senate is expected to vote on a bill backed by Republican leaders as soon as next week, and a hearing on a similar bill is set for the House Commerce Committee today. A bipartisan bill brewing in the Senate by Sens. Barack Obama (D., Ill.) and Richard Lugar (R., Ind.) would also give the administration this power while forcing it to increase the mileage standards as well.

But absent a requirement from Congress, Mr. Bush hasn't said whether he will make the standard much tougher. Since 1990, the standard has been stuck at 27.5 miles per gallon, meaning

the average mileage of auto makers' passenger-car fleets must meet that level.

Recent history suggests he won't push it much higher. New mileage standards finalized in March for sport-utility vehicles, minivans and pickup trucks only modestly increased those targets. Yesterday, attorneys general in 10 states and two big cities, New York City and Washington, D.C., filed suit in federal court to force the administration to toughen the rules. "The reality does not meet the rhetoric," said California Attorney General Bill Lockyer, who took the lead in filing the suit. "There are still incentives for Detroit to build and market the larger gas guzzlers."

The suit, filed in the Ninth Circuit Court of Appeals in San Francisco, argues that the National Highway Traffic Safety Administration didn't adequately consider the environmental benefits of stronger standards or the impact on the climate.

Rae Tyson, a NHTSA spokesman, said the regulation was written to balance the environmental, economic and safety considerations. "We believe that the process we went through was a very rigorous one and we're very confident the courts will uphold our final fuel economy standard," he said.

Under the regulations for SUVs, minivans and pickups, compliance will be judged in a new way. Rather than forcing a manufacturer's entire light-truck fleet to meet an average mileage, individual models will be judged on their size. Administration officials have said they want to consider a similar change for passenger cars.

But they aren't committing to significantly raising the 27.5 mpg standard. NHTSA Administrator Jackie Glassman said the average fleet on the road today is 30 mpg. The administration could increase the standard by 2.5 mpg without putting pressure on most auto makers. In an interview, Ms. Glassman said the new standard would be based on manufacturers' plans. "We start with product plans and see whether we can get additional fuel savings beyond those product plans."

Democrats will demand that the administration commit itself to a mileage target, said Rep. Edward Markey (D., Mass.), who has legislation that would increase the standard for cars and trucks to 33 mpg. "The flexibility they're seeking is meaningless if they do nothing with it," he said.

Even if Congress acts quickly, any change in fuel-economy rules wouldn't affect consumers for at least two years. The administration must give auto makers 18 months' notice before the rules change, and it could take many months for the administration to initiate and then complete the rule-making process.

Independent studies have found that manufacturers are capable of producing more efficient vehicles. Much of their improved technology has gone into giving cars more power rather than increasing their mileage. A report by the Environmental Protection Agency last year found that the 2005 fleet was the heaviest and fastest ever but that there has been little gain in fuel economy during the last decade.